market capitalisation on the Indian exchanges have not been affected in any significant manner by delisting of MNCs.

Action against Ketan Parekh

1270. SHRI V.V. RAGHAVAN:
SHRI J. CHITHARANJAN:

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether it is a fact that the Joint Parliamentary Committee (JPC) on Stock Market Scam of 2001 had concluded that the stock broker Ketan Parekh was a key player in the scam; and

(b) if so, what actions were proceeded against him?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) Yes, Sir.

(b) The Securities and Exchange Board of India (SEBI) undertook investigations against Ketan Parekh entities in the wake of the allegations of their involvement in market manipulations in certain scrips. Investigations revealed that these entities were involved in price manipulations and violated SEBI Takeover Regulations. The action taken by SEBI, *inter-alia,* include debarring Ketan Parekh and all entities connected with him from undertaking any fresh business as stock broker/merchant banker and cancellation of the certificate of registration of Triumph International Finance (I) Ltd., one of the broking entities of Ketan Parekh.

NABARD's sops for drought hit farmers

1271. SHRI B.J. PANDA:
MISS MABEL REBELLO:

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether National Bank for Agriculture and Rural Development has planned to offer sops for drought-hit farmers in different States;

(b) if so, details thereof and progress made in this direction; and

(c) whether this help would also be rendered to victims affected by natural calamities other than drought?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) to (c) As reported by National Bank for Agriculture and Rural Development (NABARD), about 18 States in the country were severely affected by drought during Kharif, 2002. To provide relief to the affected farmers in these States, NABARD had advised the co-operative banks and Regional Rural Banks in these States to provide additional crop loan at enhanced scales of finance for fresh sowing operations to expedite submission of crop insurance claims, to provide need based credit for purchase of fodder, to extend investment credit for deepening of wells, installation of tube/ borewells to tap additional ground water and to grant medium term (conversion)/medium term (reschedulement) loans to borrowers whose standing crops have been assessed to have been lost to the extent of 50% or more as also to grant reschedulement of instalments of investment credit to affected borrowers. The regional offices of NABARD are actively associating with State Level Bankers Committees, State Governments, etc. in closely monitoring the situation and pursuing for early assessment of crop loss, declaration of annewari, etc. for facilitating conversion. Consequent to Government's decision to waive completely the first year's deferred liability of interest on Kharif, 2002 crop loans, as a one time measure, suitable instructions have been issued by NABARD to cooperative banks and RRBs.The salient features of these instructions are:

(i) The principal amount of crop loans for Kharif season 2002 should be converted into term loans and will be recovered over a period of five years in the case of small/marginal farmers and four years in the case of other farmers; and

(ii) To defer the interest due in the current financial year on Kharif crop loans in such a way that the first instalment of interest repayment would be 20% of the deferred interest.This instalment of deferred interest which is to be waived will be reimbursed by Government, which would be applicable in case of all the farmers in the drought affected districts who have availed crop loans during Kharif, 2002. The balance amount may be recovered in reasonable instalments thereafter and no interest is to be charged on the deferred interest.

NABARD has also sanctioned additional short-term credit limits aggregating Rs. 272.54 crore for financing seasonal agricultural operations raising the total of such credit limits to Rs. 6475.56 crore to State Cooperative Banks (SCBs)/District Central Cooperative Banks (DCCBs) for the year 2002-03 (upto January, 2003) in the 18 drought affected States. The above packages of credit related relief measures are meant to be provided only to farmers affected by drought during Kharif, 2002. The facility of conversion of short term loans into medium term loans is, however, available to all farmers whose crops get damaged by natural calamities such as floods, cyclones, hailstorms, drought, etc. as per the extant guidelines of Reserve Bank of India (RBI).

Exemption to Primary Agricultural Credit Societies

1272. SHRI *CO.* POULOSE: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether it is a fact that Government have exempted Primary Agricultural Credit Societies from Income Tax;

(b) whether it is also a fact that Government have notified these primary credit societies for filing the returns and for furnishing the details of the investors and their family members having a deposit of more than fifty thousand rupees; and

(c) if so, details thereof alongwith the reasons for such move?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI GINGEE N. RAMACHANDRAN): (a) Section 80P of the Income-tax Act, 1961 allows 100% deduction to the amount of profits and gains of business of a co-operative society engaged in carrying on the business of banking or providing credit facilities to its members. There are no special provisions for Primary Agricultural Credit Societies in the Income-tax Act, 1961.

(b) and (c) Central Board of Direct Taxes have not issued any such notification. However, it is mandatory for any assessee having income exceeding the maximum amount not chargeable to income tax, to file a return of income in prescribed form and manner. However, an assessee can be required to furnish the details of the investment, during the course of assessment proceedings, by the Assessing Officer.